

Message Text

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62

ACTION EUR-25

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-03

INR-11 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SP-03

CIEP-03 LAB-06 SIL-01 OMB-01 NSC-07 SS-20 STR-08

CEA-02 L-03 H-03 PA-04 USIA-15 PRS-01 NIC-01 SAJ-01

IO-14 DRC-01 /185 W

----- 023256

R 041757Z SEP 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 4816

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L BONN 14004

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E.O. 11652: GDS

TAGS: EFIN, GW

SUBJECT: SCHMIDT-RUMOR AGREEMENT

1. ACCORDING TO FOREIGN OFFICE MINISTER OF STATE
MOERSCH, THE ANNOUNCEMENT OF THE CREDIT OF \$2 BILLION
TO BE EXTENDED TO THE ITALIAN CENTRAL BANK BY THE BUNDES-
BANK CAME AS A COMPLETE SURPRISE TO THE FOREIGN
MINISTRY. HE RECALLED HAVING SAT IN FOR GENSCHER ON A
CABINET MEETING TWO WEEKS AGO DURING WHICH THE
CHANCELLOR VIGOROUSLY OPPOSED ANY BILATERAL EXTENSION
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OF CREDIT TO ITALY. MOERSCH COULD ONLY CONCLUDE THAT

RUMOR HAD APPLIED STRONG PRESSURE ON SCHMIDT,
PLEADING EITHER THAT IT WOULD BE IMPOSSIBLE TO RESIST
COMMUNIST ENTRY INTO THE ITALIAN GOVERNMENT OR THAT
ITALIAN RESTRICTIONS ON IMPORTS FROM GERMANY WOULD BE
UNAVOIDABLE WITHOUT SOME SPECTACULAR GESTURE OF THIS
SORT.

2. I WILL BE SEEING FINANCE MINISTER APEL TOMORROW
AND HOPE TO BE ABLE TO REPORT FURTHER DETAILS THERE-
AFTER.
HILLENBRAND

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, FOREIGN ASSISTANCE, BANK LOANS, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: GS
Errors: N/A
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Review Event:
Review Exemptions: n/a
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Review Markings:

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EO Systematic Review
30 JUN 2005

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Review Withdrawn Fields: n/a
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TAGS: EFIN, GE, IT, BUNDESBANK
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005